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6 THE WAY FORWARD ON U.S. NORTH KOREA POLICY

7 Thursday, May 12, 2022

8 House of Representatives,

9 Subcommittee on Asia, the Pacific,

10 Central Asia, and Nonproliferation

11 Committee on Foreign Affairs,

12 Washington, D.C.

13

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15 The subcommittee met, pursuant to call, at 4:17 p.m., in
16 Room 2172, Rayburn House Office Building, Hon. Andy Kim of
17 California [member of the subcommittee] presiding.

18 Mr. Kim of New Jersey. [Presiding.] The Subcommittee on
19 Asia, the Pacific, Central Asia, and Nonproliferation will come
20 to order.

21 Without objection, the chair is authorized to declare a
22 recess of the committee at any point.

23 And all members will have five days to submit statements,
24 extraneous material, questions for the record, subject to the
25 length limitation in the rules.

26 To insert something into the record, please have your staff
27 email the previously mentioned address or contact full committee
28 staff.

29 Please keep your video functions on at all times, even when
30 you are not recognized by the chair. Members are responsible
31 for muting and unmuting themselves, and please remember to mute
32 yourself after you finish speaking.

33 Consistent with remote committee proceedings of H.Res. 8,
34 staff will only mute members and witnesses, as appropriate, when
35 they are not under recognition, to eliminate background noise.

36 I see that we have a quorum.

37 And I will now recognize myself for opening remarks.

38 I would like to thank our witnesses for coming today before
39 this subcommittee to discuss the ways forward on U.S. policy
40 towards North Korea.

41 I would also like to thank the Asia, the Pacific, Central

42 Asia, and Nonproliferation staff for their help in preparing the
43 hearing.

44 It is clear today that North Korea will remain a major
45 regional and global concern for the United States foreign policy
46 moving forward. Despite U.N. Security Council sanctions and
47 international condemnation, North Korea has taken additional
48 steps to further advance their nuclear weapons and ballistic
49 missile programs. Kim Jong-un's regime has increased the pace
50 and volume of missile tests over the last several years, including
51 15 do far this year.

52 On March 24, 2022, North Korea ended its self-imposed
53 moratorium and launched an intercontinental ballistic missile,
54 the first since 2017. Reports suggest that this weapon could
55 hit the U.S. homeland. Pyongyang most recently tested a missile
56 on May 7, 2022, firing a short-range submarine-launched ballistic
57 missile off its east coast. I am also concerned by the new range
58 of technologies that the DPRK is testing, including
59 nuclear-capable tactical guided weapons, as well as missiles they
60 claim have hypersonic capabilities. U.S. officials assess that
61 North Korea could be ready to conduct its next nuclear test as
62 early as this month.

63 As we assess the North's capabilities and military strength,
64 it is an opportunity to also reassess the strengths of our own
65 relationships in the region. I recently met with a South Korean

66 delegation, led by a Special Envoy of the new President, to discuss
67 ways to take the relationship between our two nations to the next
68 level. I had an excellent conversation with the delegation,
69 alongside other Korean American Members of Congress, about
70 enhancing the ties between the United States and South Korea;
71 how to maintain our military alliance, and ways to expand economic
72 ties.

73 With a change in the administration in South Korea also comes
74 a range of policy differences, when it comes to how we look at
75 North Korea. And I am looking forward to hearing from the panel
76 we have before us today on how U.S. policy towards North Korea
77 may be impacted by the new administration in South Korea and their
78 strategies on engagement.

79 Our priority, first and foremost, must be to maintain peace
80 on the Korean peninsula and to do all that we can to reduce the
81 possibility of armed conflict. As the Kim regime continues to
82 undermine global peace and stability with its provocations, the
83 United States, South Korea, and other like-minded partners like
84 Japan, must continue to closely coordinate to advance security
85 in the region.

86 The DPRK is also continuing its malign actions when it comes
87 to illicit markets. North Korea has been accused of crimes such
88 as cyber attacks against banks, selling weapons, illicit drugs,
89 counterfeiting cash, money laundering, and smuggling -- all of

90 which are believed to rake in hundreds of millions of dollars
91 for the Kim regime.

92 The DPRK has continued efforts to evade multilateral
93 sanctions and is increasingly using non-traditional means to
94 broaden its illicit revenue streams.

95 North Korea has been responsible for a high number of
96 high-profile cyber operations, and this is something that we know
97 has been very much something that they have been building up those
98 capabilities of.

99 There is far too much that we don't know about how North
100 Korea operates in this space, but what we do know is that, in
101 today's interconnected world where cryptocurrencies and
102 blockchain technologies have become more mainstream, the
103 malicious actors will have more opportunities to exploit these
104 systems. The United States and its allies must continue to
105 enforce strong sanctions and cut the Kim regime off from its line
106 of access to illicit cash and end its abilities to fund criminal
107 organizations in the Indo-Pacific.

108 I am looking forward to engaging with our panel here today
109 to discuss how we orient our policy towards North Korea and how
110 we should lean on our allies, our international institutions,
111 and regional organizations to contain the North Korean threat
112 moving forward.

113 I now want to yield 5 minutes to our ranking member for any

114 opening comments he may have.

115 Mr. Chabot. Thank you, Mr. Chairman.

116 And after two years of remote committee activity, it is great
117 to be here together. I am sad that our true chairman, Mr. Bera,
118 can't be here, but I am sure that you are going to do a tremendous
119 job here this afternoon.

120 And we thank the witnesses for appearing here also in person,
121 because we have got a lot of folks here virtually as well.

122 Let me begin by congratulating President Yoon on his
123 inauguration earlier this week. He takes office at a time when
124 he faces many issues domestically and renewed provocations from
125 North Korea. We wish him well as he tackles these daunting
126 challenges.

127 It is important here in Washington to remember that our
128 posture toward North Korea is strongest when we present a unified
129 front with Seoul. As we seek to face this threat together, we
130 look forward to working with President Yoon's administration.

131 And I also want to mention that I appreciate his desire to
132 deepen our alliances to address other regional and global
133 challenges; most notably, the hegemonic ambitions of the Chinese
134 Communist Party. After all, the U.S.-South Korea alliance is
135 a linchpin for peace, security, and prosperity on the Korean
136 peninsula and in the overall Indo-Pacific region. And such a
137 move to broaden the alliance will reinforce the importance of

138 our relationship for years to come.

139 Today's hearing comes at an important time. Not only does
140 South Korea have a new President, as I just mentioned, but Kim
141 Jung-un has broken his self-imposed moratorium on long-range
142 missile testing and shot off three short-range missiles just
143 today. And he has stepped up these tests, as we have been focused
144 on Vladimir Putin's illegal and unprovoked invasion of Ukraine.

145 Despite the war in Europe, we must not lose sight of Kim's
146 provocations, which in normal times would likely have been
147 front-page news. Let's face it, North Korea has bedeviled
148 multiple American and Korean Presidents for decades now. I have
149 been closely engaged in North Korean issues for a long time,
150 particularly when I was chairman of this committee back in 2013
151 and 2014. And it seems that, no matter what we have tried, it
152 is come to naught -- certainly, not very much.

153 Previous administrations, both Democratic and Republican,
154 have worked out deals under which the Kim regime promised to make
155 concessions on their nuclear programs in exchange for food or
156 oil, or other things that they wanted. None of these deals
157 ultimately worked because the North would, at best,
158 half-heartedly implement them, and then, break them, and usually,
159 in secret, eventually, throw them out altogether, or even brag
160 about what they have done.

161 President Trump took a different approach, holding several

162 meetings with Kim Jung-un, and for his part, President Moon
163 thought an end of war, the declaration would create momentum,
164 only to be flatly ignored by the North. In the end, neither of
165 these unorthodox approaches produced a breakthrough.

166 So, where do we go from here? I think the most important
167 thing to remember is that peace comes through strength. Kim's
168 provocations must be met with a firm response. There are several
169 immediate steps we should take.

170 First, we should tighten sanctions enforcement, in my view.

171 We should also resume joint military exercises with the South
172 Koreans.

173 Further, we must work together to shore up the United
174 States-Korea-Japan alliance.

175 And then, there is China. China doesn't have complete
176 control over North Korea, but they do have a lot of leverage.

177 We need to get China to use that leverage. There are several
178 ways to at least try to do that.

179 Enforcing U.S. law means sanctioning China's financial
180 institutions that do business with North Korea. That would most
181 assuredly get their attention, but it is something that both
182 Republican and Democratic administrations have been reluctant
183 to do.

184 Or we could reopen talks about basing additional missile
185 defense systems in Japan and South Korea, something China does

186 not want to see happen.

187 Going forward, we need to take a stronger, more unified,
188 and more innovative approach. Sanctions are important, but by
189 themselves, they have proven insufficient, especially since the
190 Kim regime has been able to continue weapons development, despite
191 its harsh, self-imposed COVID-19 economic restrictions.

192 It is time we think outside the box, not with rosy peace
193 initiatives, but with something that will actually force Kim to
194 the table.

195 So, I look forward to hearing from our witnesses on how we
196 might do that and the next steps for the United States-South Korea
197 relationship, as President Yoon takes office.

198 And again, we appreciate the witnesses here this afternoon
199 and look forward to hearing from them and asking some questions.

200 With that, I yield back, Mr. Chairman.

201 Mr. Kim of New Jersey. Yes, thank you, Ranking Member.

202 I want to start by introducing our witnesses, and then, we
203 will proceed to the statements.

204 I will start by introducing Dr. Sue Mi Terry, who is the
205 Director of the Asia Program and Director of the Hyundai
206 Motor-Korea Foundation Center for Korean History and Public
207 Policy at the Woodrow Wilson International Center for Scholars.

208 Dr. Terry has had a distinguished career in intelligence,
209 policymaking, and academia. She has served previously as a

210 Senior Analyst at the CIA, a Director on the NSC for Presidents
211 Bush and Obama, and the Deputy National Intelligence Officer for
212 East Asia at the National Intelligence Council.

213 Welcome.

214 Next, we also have Dr. John Park, who is the Director of
215 the Korea Project at the Harvard Kennedy School Belfer Center
216 for Science and International Affairs at Harvard University.
217 He is an associate faculty member of the Korea Institute; faculty
218 member of the Committee on Regional Studies, East Asia, and a
219 faculty affiliate with the Project on Managing the Atom. He was
220 previously a director at the U.S. Institute of Peace in
221 Washington, D.C., where he worked closely with U.S. and Asian
222 officials to convene Northeast Asia Track 1.5 projects.

223 Thanks so much for coming.

224 And Dr. Sung-Yoon Lee is the Kim Koo-Korea Foundation
225 Professor of Korean Studies and assistant professor at The
226 Fletcher School of Law and Diplomacy at Tufts University. He
227 is also faculty associate at the Program on U.S.-Japan Relations,
228 Weatherhead Center for International Affairs, Harvard
229 University. He has published widely on the international
230 politics of the Korean peninsula and Northeast Asia and is author
231 of a book on Kim Yo-jong that will be released in January 2023.

232 Thank you for coming.

233 I thank all of our witnesses for being here, and will now

234 recognize each witness for 5 minutes.

235 And without objection, your prepared written statements will
236 be made part of the record.

237 I will start by inviting Dr. Terry to give her testimony.

238 Over to you for 5 minutes.

239 STATEMENTS OF SUE MI TERRY, DIRECTOR, ASIA PROGRAM, WOODROW WILSON
240 INTERNATIONAL CENTER FOR SCHOLARS; JOHN S. PARK, DIRECTOR, THE
241 KOREA PROJECT, THE HARVARD KENNEDY SCHOOL BELFER CENTER FOR
242 SCIENCE AND INTERNATIONAL AFFAIRS, AND SUNG-YOON LEE, KIM
243 KOO-KOREA FOUNDATION PROFESSOR OF KOREAN STUDIES AND ASSISTANT
244 PROFESSOR, THE FLETCHER SCHOOL OF LAW AND DIPLOMACY, TUFTS
245 UNIVERSITY

246

247 STATEMENT OF SUE MI TERRY

248 Ms. Terry. Thank you. Chairman Andy Kim, Ranking Member
249 Chabot, and distinguished members of the committee, I am honored
250 to testify before you today.

251 I will just note that my testimony is my views alone and
252 does not represent views of the Wilson Center.

253 I have been following the North Korean issue my entire life
254 -- first, as a child growing up in North Korea. My entire paternal
255 side of the family came from North Korea. I grew up listening
256 to stories about North Korea and my grandparents longing for
257 unification one day.

258 And, of course, the last several decades, I have been
259 following the North Korean issue as an analyst, as a Korea watcher,
260 both in and outside of the government in intelligence and policy,
261 academia, and think tanks. So, I have looked at this North Korean
262 issue, North Korean problem, from a variety of different lenses

263 and from a variety of different posts.

264 I genuinely hope to appear before you one day, as Ranking
265 Member Chabot mentioned, to say: here are some bold, innovative,
266 outside-of-the-box steps that we can take to get North Korea to
267 give up weapons of mass destruction and to get North Korea to
268 stop abusing its population, to systematically abuse its
269 population, and open its society and join the free world. But,
270 unfortunately, this is not such a case today.

271 This is a problem without an obvious solution, and it is
272 not an easy one. Of course, it does not mean that there is nothing
273 we can do. In fact, there are steps that we can and we should
274 take to reduce the threat that is posed by the Kim regime, as
275 I lay out, also, in my written testimony.

276 But, before we talk about our policy options today, I would
277 like to briefly spend a few minutes to give you an overview of
278 where we are today with the North Korean nuclear program.

279 Since coming to power a decade ago, Kim Jung-un has gone
280 further than his father and grandfather in building out his
281 nuclear program. Kim has conducted four out of six nuclear tests
282 and just over 130 missile tests, three ICBM tests in 2017, and
283 more recently, on March 24th, and just today, three short-range
284 ballistic missiles. In the past year, North Korea has tested
285 a variety of different missiles -- all in an effort to perfect
286 its own missile and deterrent capabilities; to diversify its

287 missile arsenal; to defeat American missile defenses, and to
288 enhance its ability to strike the U.S. mainland with nuclear
289 missiles -- making North Korea one of just three countries in
290 the world, along with Russia and China, to possess this dangerous
291 capability.

292 We can also expect nuclear tests soon in the near future,
293 possibly a tactical nuclear weapon, based on recent satellite
294 imagery showing continued construction work at the Punggye-ri
295 Nuclear Test Site. I believe this is to be the case, even with
296 the news today that came out, that North Korea finally admitted
297 for the first time that it is battling COVID outbreaks since
298 detecting the Omicron variant on May 8th. North Korea just tested
299 ballistic missiles today, while admitting to a COVID outbreak.

300 Kim is developing tactical nuclear weapons intended for use
301 against targets in South Korea or near the Korean peninsula, and
302 is now threatening to launch a preemptive attack. Speaking at
303 a military parade on April 25th, Kim warned that the North will
304 use its nuclear weapons not just to prevent war, but even
305 preemptively for a secondary purpose, if his country's interests
306 are threatened. This statement comes after his sister, Kim
307 Yo-jong, had already made similar threats about potential
308 preemptive use, threatening that South Korea could face
309 extermination.

310 So, what we should do, some analysts are calling for

311 Washington to extend another olive branch to Kim Jung-un again,
312 but we cannot simply just give more lopsided concessions, which
313 will likely result in North Korea pocketing the concessions while
314 continue with the WMD program anyway.

315 Kim Jung-un is not interested in trading cash or economic
316 incentives or economic development for nukes. And North Korea
317 is not interested in returning to negotiations without going
318 through another round of provocations or crisis and tests. This
319 means any future dialog with the North will only have to come
320 by hanging tough, for us to hang tough. This means we have to
321 increase pressure on North Korea, while still leaving the door
322 open to diplomacy.

323 We can ratchet up sanctions. We can talk more about this.

324 We can enhance deterrence. We can force the trilateral
325 intelligence and defense cooperation with Japan and South Korea.

326 We can deploy more sophisticated U.S.-South Korean strike
327 capabilities and more robust U.S. joint exercises.

328 In sum, while we are unlikely to be able to turn back the
329 clock on North Korea's nuclear program, we can reduce the threat
330 in the short term, while having a long-term strategy to help the
331 North Korean people through public diplomacy and an information
332 penetration campaign to spur internal domestic change in the
333 North, risk reduction in the short term, Pyongyang sparing in
334 the long term.

335 Thank you for this opportunity to present my testimony, and
336 I look forward to the questions.

337 [The statement of Ms. Terry follows:]

338

339 ***** COMMITTEE INSERT *****

340 Mr. Kim of New Jersey. Of course. No, thank you. That
341 was very interesting.

342 And now, we will turn to Dr. Park for your testimony. You
343 have got 5 minutes on the clock.

344 Thank you.

345 STATEMENT OF JOHN S. PARK

346

347 Mr. Park. Thank you very much.

348 Chairman Andy Kim, Ranking Member Chabot, members of the
349 subcommittee, thank you for the opportunity to appear before you
350 today.

351 My views are my own and don't reflect those of the Harvard
352 Kennedy School.

353 I will be discussing four key questions, as requested by
354 the subcommittee.

355 No. 1, what factor has been undermining the effectiveness
356 of North Korea sanctions? Divergent U.S. and Chinese approaches
357 to dealing with North Korea over the past 14 years have created
358 significant maneuvering space for North Korea. This loophole
359 space has been a major factor undermining the effectiveness of
360 these sanctions.

361 For the United States, the dominant approach has been
362 economic coercion using sanctions. For China, the dominant
363 approach has been economic engagement using political ties
364 between the Chinese Communist Party and its counterpart, the
365 Workers' Party of Korea, to embed commercial networks inside of
366 China. In this loophole space, North Korea, Incorporated, the
367 regime's network of elite state trading companies, has thrived
368 inside of the Chinese economy with no strings attached to

369 denuclearization progress.

370 Another factor undermining sanctions is the regime's ongoing
371 self-imposed national quarantine. With North Korea's official
372 announcement just hours ago of a new emergency national lockdown,
373 the internal situation will become even more difficult. I will
374 go into more detail during the question session with members.

375 No. 2, what is the rapidly emerging way in which North Korea
376 has evaded sanctions? North Korea has gone virtual. North
377 Korean cyber actors have increasingly targeted financial
378 institutions and cryptocurrency exchanges. In doing so, they
379 have expanded a recurring revenue stream for the regime, which
380 has bolstered its ability to evade sanctions.

381 The cybersecurity community has characterized North Korean
382 cyber actors as advanced persistent threats. A case in point
383 is APT38, more commonly referred to as the Lazarus Group, which
384 is, reportedly, led by North Korea's main intelligence agency
385 that the United States and the U.N. have sanctioned. Lazarus
386 Group has pivoted to highly lucrative cryptocurrency crimes.
387 The U.N. panel of experts reported that the group's activities
388 fund North Korea's WMD programs.

389 The scale of North Korea's cyber heist has grown
390 significantly. According to an April 2022 report by Chainalysis,
391 a blockchain analysis firm, Lazarus Group stole \$620 million worth
392 of cryptocurrency from the Ronin Network, a crypto service built

393 to support a gaming site.

394 No. 3, what areas should the United States prioritize to
395 address North Korea's latest sanctions-evasion techniques? I
396 join my colleagues Priscilla Moriuchi and Alex O'Neill, both
397 affiliated with Harvard Kennedy School's Korea Project, and Jason
398 Bartlett at the Center for a New American Security, in advocating
399 greater cooperation among the country's law enforcement bodies.

400 Moriuchi emphasizes how, quote, "North Koreans understand
401 criminality. They are connected through the internet with this
402 criminal and gray underground world." End quote.

403 O'Neill observes how North Korean financially-motivated
404 hackers often behave in cyberspace more like criminals than state
405 actors.

406 Bartlett makes a compelling case for applying Treasury's
407 Financial Crimes Enforcement Network to the crypto space to foster
408 multinational law enforcement cooperation on blockchain-enabled
409 financial crime. Doing so can reduce the space in which the North
410 Korean cyber actors operate.

411 The preexisting authorities that law enforcement agencies
412 possess are also better suited to efforts to shut down cyber
413 criminals' activities. The difficulty of converting stolen
414 cryptocurrency into fiat provides an opportunity for robust law
415 enforcement cooperation.

416 No. 4, what can the United States get a realistic sanctions

417 policy? North Korea has recently endured far greater pressure
418 than U.S. sanctions. Since January 2020, it has clamped down
419 its economy, triggered by the regime's self-imposed quarantine
420 to prevent the spread of COVID-19.

421 North Korea's track record in surviving this economic
422 turmoil raises serious doubts about depending solely on sanctions
423 as an economic pressure tool. At present, what may be realistic
424 for the United States is exploring an arrangement with North Korea
425 for a nuclear and ballistic missile testing moratorium in exchange
426 for an easing of key sanctions. Former U.S. negotiators who dealt
427 with the North Koreans note that this arrangement could meet the
428 near-term national interests of the two countries.

429 For the United States, the moratorium halts one aspect of
430 North Korea's advancement of its nuclear arsenal and addresses
431 the thorny issue of verification. In-country inspections are
432 not required, as the moratorium itself would be an objective
433 indicator.

434 For North Korea, sanctions easing in key areas could provide
435 a dedicated relief valve for members of the 1 percent and the
436 99 percent. The continuation of the moratorium would pair with
437 the continuation of selected sanctions easing, and vice versa.

438 Conversely, the end of one would result in the end of the other.

439 This potential snapback feature could help both sides stay on
440 track.

441 In short, a small deal could lead to a larger deal. An
442 unconstrained North Korean testing and development program, as
443 we see today, reduces options for a feasible negotiated
444 arrangement in the future.

445 In conclusion, the North Korean nuclear issue has mutated
446 and no longer fits into past policy molds that rely on sanctions.

447 The United States needs to recognize that North Korea under Kim
448 Jung-un has become highly resilient to the core U.S. policy tool
449 of sanctions. There is a way forward on U.S.-North Korea policy,
450 but the space for it is dwindling quickly.

451 Thank you.

452 [The statement of Mr. Park follows:]

453

454 ***** COMMITTEE INSERT *****

455 Mr. Kim of New Jersey. Thank you. Thank you for your
456 testimony there.

457 Dr. Lee, over to you, 5 minutes.

458 STATEMENT OF SUNG-YOON LEE

459

460 Mr. Lee. Thank you very much, Chairman Kim, Ranking Member
461 Chabot.

462 Congressman Perry, I had the pleasure of meeting you in
463 Orlando a few months ago with members of KPAC Korea and CPAC seated
464 behind me.

465 I am honored to be here and to have this opportunity to
466 present my views on North Korea's growing lethality.

467 As Dr. Terry mentioned, Kim Jung-un convened a Politburo
468 meeting today, local time, May 12th, before ordering the blast
469 of three missiles at approximately 6:30 p.m. And at the meeting,
470 Kim Jung-un acknowledged the rapid spread of COVID in the capital
471 city in Pyongyang, and he ordered the lockdown of every city and
472 county and to replace the preexisting so-called state epidemic
473 prevention regime with a new, quote, "maximum emergency epidemic
474 prevention system," end quote.

475 What does that mean? It means we are watching,
476 unfortunately, tragically, the very early stage of rapid and
477 pervasive spread of human misery, untold suffering on the part
478 of millions of North Koreans as they fall ill, as they die, as
479 famine-like conditions return. The true scale and nature of this
480 tragedy unfolding before our eyes will not become evident for
481 the next several weeks, or months even, but it is happening.

482 The right thing to do is for the United States and its allies
483 and the United Nations and all self-respecting nations of the
484 world to put pressure on Kim Jung-un to receive humanitarian aid,
485 medical aid. For the record, I call on every nation of the world
486 to provide North Korea with medical aid, including vaccines.
487 If he refuses, then that is on him.

488 In recent months, North Korea has made several specific
489 nuclear threats against, principally, South Korea, but, by
490 extension, anyone who dares to, quote, "violate the fundamental
491 interests of the state," of the North Korean state. Kim Jung-un
492 said this at the military parade on April 25th.

493 And even before that, Kim Yo-jong, his influential sister,
494 in a statement on April 4th, said that, if South Korea dares to
495 preemptively attack North Korea's missile site, then South Korea
496 will be visited upon with, quote, "a miserable fate little short
497 of total destruction and ruin," and "This is not just a threat."

498 I observe here the kin siblings taking a page out of Vladimir
499 Putin's playbook and trying to normalize, routinize nuclear
500 threats -- threats of preemptive nuclear attack -- make that the
501 new norm; compel South Korea and its supporter, the United States,
502 to come to tacitly accept this new reality.

503 This is a dangerous game that North Korea is playing. We
504 have seen, as Chairman Kim mentioned, an ICBM test in March and
505 probably other ICBM component tests as well this year. And there

506 has not been a single U.N. Security Council meeting, let alone
507 a resolution. This is a very new and dangerous world we are living
508 in in this year 2022.

509 I ask everyone to consider that North Korea has played this
510 game -- this recurring pattern of provocations, escalations, and
511 then, return to negotiations -- only to reap even more concessions
512 over the past 30 years. The United States, in the early stage
513 of this encounter, offered North Korea, gave North Korea, over
514 \$1.3 billion worth of food and fuel assistance between 1995 to
515 2008. North Korea pocketed the aid and continued to develop,
516 to enlarge its nuclear arsenal. South Korea has given over \$10
517 billion in aid, much of that in cash, between 2000 and 2008.
518 This is clearly not the right approach.

519 U.S. sanctions against North Korea have only become smart
520 as of 2016, as have U.N. sanctions against North Korea in the
521 form of targeted financial sanctions. But, still, to this day,
522 U.S. sanctions against North Korea are too few and too weak in
523 kind, measured against U.S. sanctions against Venezuela, Iran,
524 Syria. They pale in comparison.

525 There is a lot more that the U.S. Government can and should
526 do. So, I call, respectfully, on the United States Government
527 to put in more effort -- and it is laborious work; I get it --
528 but to do more to enforce existing sanctions against North Korea,
529 and, also, to fine violators, third-party countries that, in

530 flagrant violation of U.N. Security Council resolutions and U.S.
531 sanctions laws, continue to do illicit financial transactions
532 with North Korea.

533 Thank you.

534 [The statement of Mr. Lee follows:]

535

536 ***** COMMITTEE INSERT *****

537 Mr. Kim of New Jersey. Thank you all for your testimonies.
538 We are now going to be moving over to the question period.
539 I will now be recognizing members for 5 minutes each. And
540 pursuant to House rules, all time yielded is for the purpose of
541 questioning our witnesses.

542 Because of the virtual format of this hearing, I will
543 recognize members by committee seniority, alternating between
544 Democrats and Republicans. If you miss your turn, please let
545 our staff know and we will circle back to you. If you seek
546 recognition, you must unmute your microphone and address the chair
547 verbally.

548 I will start by recognizing myself.

549 Dr. Lee, I wanted to just pick up on some of what you are
550 talking about, but also bring it into the context of this week,
551 as well as the coming weeks. This is a very important inflection
552 point with the new President in South Korea, as well as President
553 Biden's impending trip out to Asia, out to Korea.

554 So, I guess I wanted to just hear from you just what we should
555 be expecting from the new President, what we should expect in
556 terms of how that may or may not shift South Korea's posture to
557 the North. And also, I want to just ask you, what advice would
558 you give President Biden ahead of this trip? What would you
559 recommend to him or want him to know about before he goes?

560 Mr. Lee. Thank you very much.

561 Well, President Biden and, also, the new South Korean
562 administration are on the same page in emphasizing human rights,
563 giving greater weight to human rights and calling North Korea
564 out on its manifold, multifaceted crimes against humanity;
565 whereas, the previous South Korean administration was less
566 enthusiastic on this very important topic.

567 I think President Yoon, in his summit meeting, the first
568 meeting with President Biden in Seoul on May 21st, will try to
569 reassure President Biden that the new South Korean government
570 will be more proactive in international diplomacy, in being
571 globally engaged in world affairs beyond the Korean peninsula.

572 In fact, Mr. Yoon wrote in his foreign affairs article of February
573 8th just that he, if elected, will pursue no longer the, quote,
574 "parochial policy of being too Korea-centered,
575 peninsula-centered, and engage in the world."

576 And I take that to mean a greater willingness to participate
577 in multilateral security dialog, like the Quad, Quadrilateral
578 Security Dialogue. I take that to mean probably being more
579 proactive, being engaged in maintaining freedom of navigations
580 in the South China Sea; also perhaps, in the Taiwan Strait and
581 the East China Sea as well. This is, I would say, a welcomed
582 development, and that the United States should encourage South
583 Korea to be more supportive and be more fully engaged.

584 What will the South Koreans, then, expect in return? There

585 is always a bit of give-and-take, of course, even among allies.

586 I think the United States, if South Korea floats the notion of
587 bringing back U.S. tactical nuclear weapons to the peninsula,
588 which has been broached unofficially before, or if South Koreans
589 broach the topic of bringing back on a rotational basis strategic
590 assets to the peninsula and its proximity -- meaning east of the
591 peninsula, mainly Japan -- rather than flat-out saying, "No, that
592 is beyond question. We will not consider it" -- I am not saying
593 that the Biden administration will take that position -- but
594 maintaining strategic ambiguity vis-a-vis North Korea, vis-a-vis
595 China, not ruling it out, perhaps might be a good course of action
596 for now. Dangling that possibility, sending a message to North
597 Korea that, if you continue to threaten to use nuclear weapons
598 against our key ally South Korea, we will shoot back, that message,
599 I think, needs to be made clearly.

600 So, in tandem with greater emphasis on human rights,
601 increasing funding for various groups, like Voice of America and
602 Radio Free Asia that transmit information into North Korea, and
603 helping NGOs, and also, appointing the U.S. Special Envoy for
604 Human Rights right away, I think there is an opportunity for both
605 South Korea and the United States to put more pressure on North
606 Korea; and also, to do the right thing in calling North Korea
607 out on its various crimes.

608 Mr. Kim of New Jersey. And in the broader context here,

609 Dr. Terry, I wanted to turn to you here. I mean, we are seeing
610 this new administration come into South Korea, President Biden's
611 trip -- all in this context of the tests that North Korea has
612 been doing, the increased provocation on there.

613 I wanted to ask what you make of this. What kind of signal
614 is North Korea trying to send? And is the timing very much tied
615 in with these other changes we are seeing in South Korea?

616 Ms. Terry. I think Kim Jung-un is trying to send -- well,
617 he made it very clear. One thing about the North Koreans, they
618 are very good at telling us what they are going to do. So, Kim
619 Jung-un has already said that he is going to invest and double-down
620 on his nuclear program.

621 And even though he is going through very difficult internal
622 challenges -- because North Korea was the first country to close
623 the border with China in January of 2020, and that closure had
624 significant economic consequences, and now, with the COVID
625 situation, which I hope we get a chance to talk more about because
626 I think it is quite serious -- the external environment is ripe,
627 is good for North Korea in terms of conducting more tests and
628 conducting more provocations, including nuclear tests.

629 Russia's invasion of Ukraine, which only reinforces Kim
630 Jung-un's thinking in terms of the need to hold onto nuclear
631 weapons, because he drew all the wrong lessons from Russia's
632 invasion of Ukraine. Just like Saddam Hussein when you look at

633 Iraq and the Libya situation, the message that Kim Jung-un got
634 is you have to hold onto nuclear weapons for deterrence. So,
635 that is a wrong message.

636 But, again, as Dr. Lee mentioned in his opening remarks,
637 the second implication of Russia's invasion of Ukraine is this
638 notion of preemptive use, again, taking a page out of Putin's
639 playbook, just kind of talking about the preemptive use of nuclear
640 weapons, of tactical nuclear weapons.

641 So, I don't believe there is going to be -- we can't get
642 to the dialog stage. We cannot get to the negotiation stage --

643 Mr. Kim of New Jersey. Yes.

644 Ms. Terry. -- without, first, going through the crisis,
645 without, first, going through the -- so, I think this year there
646 is not much we can do at all in terms of trying to get North Korea,
647 to bring back to negotiation.

648 Mr. Kim of New Jersey. Okay.

649 Ms. Terry. We have to go through a crisis first.

650 Mr. Kim of New Jersey. Thank you for your perspective there.

651 I am going to turn it over to the ranking member for his
652 question line.

653 Over to you.

654 Mr. Chabot. Thank you, Mr. Chairman.

655 Dr. Lee, I had said in my opening statement that I was hoping
656 that perhaps we could maybe think outside the box, because not

657 a whole lot has really worked very well with North Korea over
658 time, maybe come up with new ways to increase the pressure on
659 the Kim regime. Dr. Terry had mentioned she has been looking
660 at that, too, but, unfortunately, didn't bring any of those great
661 answers here today or thoughts about that.

662 I was wondering, are there any tools that we have maybe in
663 our arsenal that we have failed to use relative to sanctions or
664 anything else that you think might have a chance of working?

665 Mr. Lee. Thank you, Mr. Chabot.

666 I think many people take the view, perhaps without basis,
667 that U.S. sanctions against North Korea have always been very
668 tough or have even maxed-out. Such statements have been made
669 repeatedly by academics, journalists, and politicians over the
670 years.

671 It is not entirely true. U.S. sanctions against North Korea
672 became meaningful only as of 2016, when this honorable Congress
673 passed the very first North Korea-specific sanctions legislation,
674 and which President Obama signed into law. And then, there have
675 been successive tough sanctions bills passed by Congress since.

676 The problem is implementation and the problem is
677 implementing/enforcing sanctions over prolonged time, sustained
678 pressure. And that pressure, which built up quite strongly
679 throughout 2016 and 2017, when North Korea was on that bluster
680 barrage for two full years -- marked by three nuclear tests since

681 January 2016 and capped in November 2017 by a very powerful ICBM
682 test -- yes, the United States galvanized the world to do its
683 part to put diplomatic national pressure on North Korea, but that
684 effort has largely fizzled.

685 And as I alluded to earlier, U.S. sanctions, the number of
686 North Korean designations by the United States is only in the
687 low 400s, about 425 North Korean designations. There are at least
688 a hundred more Venezuela designations, probably almost double
689 North Korea designations. That is, in terms of Syria
690 designations, close to 800, and then, there are over 2,000 Iran
691 designations.

692 And also, in the types of designations, we have not seen
693 anything close to what the Obama administration vigorously
694 pursued in sanctioning Iran and Cuba and Syria between 2009 and
695 2015. In trying to get Iran back to the negotiating table, the
696 U.S. Government went after actors, normal corporations, reputable
697 banks of allied nations as well, hitting them with big fines.

698 For example, ING was fined by the United States for
699 violations of Iran and Cuba sanctions \$619 million; Standard
700 Chartered, \$674 million; Commerce Bank, \$1.4 billion; HSBC, \$1.9
701 billion; Barclays, \$300 million; Bank of Tokyo --

702 Mr. Chabot. Doctor, I hate to cut you off there, but I want
703 to get one more question in before my time expires here.

704 Mr. Chabot. Thank you for that comprehensive response

705 there. China obviously is the one country that has a pretty
706 significant -- significantly more opportunity to put pressure
707 on North Korea than anybody else does. They rely so much upon
708 them.

709 And so they've got the leverage, but they've either refused
710 or failed or felt that it was in their best interest not to use.

711 I think they, for one thing, they like to keep us off balance.
712 And you can always play the North Korea card.

713 And I know this question has been asked a million times,
714 but any insight in how you can actually get China to get off the
715 duff and do something, that maybe it's in their best interest
716 to rein in that rogue state, even though they just don't do it?

717 Mr. Lee. Congressman Chabot, as you well know, China has
718 some of the biggest banks in the world. Four of the ten biggest
719 banks in the world are in China. And the U.S. has levied
720 meaningful fines only on a handful of occasions against Chinese
721 entities, and nothing on the scale of, say, the biggest bank in
722 France, which was hit with a \$9 billion fine.

723 So we know Chinese enterprises, state-owned enterprises,
724 and banks continue in violation of UN and U.S. laws to launder,
725 to facilitate North Korean financial transactions in the
726 purchasing of illicit goods, weapons material.

727 I think the U.S. Government has been too reticent, looking
728 at the bigger picture. That if we go after China there might

729 be financial repercussions. Well, perhaps so, but money really
730 does talk.

731 And in the past, we've seen these biggest banks, Construction
732 Bank, Agriculture Bank, Bank of China, all behave in different
733 ways from stated government policy, and even voluntarily sever
734 financial relations with designated North Korean entities. For
735 example in 2013, Foreign Trade Bank.

736 So why not try it? Why not -- why not ramp up pressure,
737 not only against North Korea, financial pressure, but also against
738 Chinese partners.

739 Mr. Chabot. Personally that seems perfectly reasonable to
740 me. So thank you very much, and I yield back, Mr. Chairman.

741 Mr. Kim of New Jersey. Thank you, Ranking Member.

742 We're going to now turn it over to my colleague, Congressman
743 Sherman. Over to you for five minutes.

744 Mr. Sherman. For 26 years, I've been coming to this room.

745 This is Groundhog Day. We're always told it is -- that is
746 unacceptable for North Korea to have nuclear weapons. And then
747 we pound the table, and then we talk about sanctions, none of
748 which are effective.

749 Some 20-some years ago, I was here when were discussing
750 whether to have a non-aggression with North Korea. That was
751 rejected by the United States because Vice President Cheney was
752 at the time pretty much running our foreign policy, envisioned

753 an American invasion of North Korea being successful.

754 Given that history plus Lybia, plus Iraq, plus Ukraine, I
755 can't imagine that Kim is going to go without any nuclear weapons
756 at all. If for 26 years your policy has failed, you need to have
757 a bigger hammer and a smaller nail, because we haven't come close.

758 We need to do more, and we need to expect less and settle
759 for less. And less would be if Kim retained a small number of
760 nuclear weapons under very strict monitoring, enough to deter
761 an invasion that at least a long-ago Vice President imagined.

762 The ranking member points out China is the key here, because
763 even if we had regime-threatening sanctions on North Korea, and
764 Dr. Lee, thank you for suggesting more of things that we should
765 be doing, China wants to keep that regime in power and can do
766 so economically.

767 Unless we do -- and we can sanction their individual banks,
768 but they could always just have their smaller banks who don't
769 do business with the United States be their sole economic link
770 to North Korea. So what we need to do is propose a tariff on
771 all Chinese goods if the Chinese don't change their behavior.

772 We could also point out to China we have been incredibly
773 successful in preventing our East Asian allies from developing
774 nuclear weapons, Japan, North -- South Korea, and Taipei do not
775 have nuclear weapons. That's pretty good work.

776 They have one ally in the area, that ally is producing nuclear

777 weapons and threatening the United States. There is a lack of
778 justice and symmetry in that.

779 We could say that our policy's been a failure, because North
780 Korea every day becomes more dangerous to American people. But
781 in a way, it's been a complete success because it's met the needs
782 of academics, politicians, and bureaucrats. Because thinking
783 outside the box, accepting less or doing more, that's difficult.

784 Coming to this room and saying North Korea should not have
785 nuclear weapons, it's got to be easy because I've seen it done
786 for 26 years.

787 As to crypto currency, I'll point out that the -- that on
788 the one hand North Korea steals from the crypto world. On the
789 other hand, I should point out that Virgil Griffith, Senior
790 Researcher with the Ethereum Foundation, just pleaded guilty to
791 providing advice to North Korea on how to use cryptocurrency to
792 evade sanctions.

793 And as the second witness pointed out, the crypto has to
794 be converted to fiat in order to be used. And that's because
795 it's really not a currency. It's a meme that you invest in hoping
796 to buy it for fewer dollars than you sell it for. If it ever
797 became a currency, it would be -- you wouldn't have to create
798 it -- to turn it into fiat.

799 My first question for the panel is North Korea already has
800 more nuclear weapons than it needs to make any say in American

801 or South Korean know that we can't invade. They need money or
802 would like to have some.

803 What is the possibility that they sell one to Saudi Arabia,
804 Iran, or some other -- or a terrorist organization? Dr. Terry.

805 Ms. Terry. North Korea is a serial proliferator. It has
806 proliferated everything under the sun except --

807 Mr. Sherman. They haven't sold a full weapon --

808 Ms. Terry. Yes, I was about --

809 Mr. Sherman. They haven't sold fissile material
810 (Simultaneous speaking.). They were in Syria selling the
811 technology.

812 Ms. Terry. Right. But it has had ballistic missile
813 cooperation with Syria, with Iran, with UAE, with Burma. It has
814 built a nuclear reactor in Syria that the Israelis bombed.

815 So the point is I think nuclear proliferation risk, global
816 proliferation risk, from North Korea is very serious. Because
817 it has not yet sold nuclear and fissile material, but we know
818 it has sold everything else.

819 And as economic situation gets very serious and the more
820 cash-strapped the regime is, we cannot discount the possibility
821 of a proliferation risk. And I think that is obviously the --
822 one of the most serious concerns.

823 Mr. Sherman. I would point out if we could limit them to
824 5, 10, 15 nuclear weapons, that risk goes down, but right now

825 they have more they need.

826 Can I sneak in one more question?

827 Mr. Kim of New Jersey. One more question.

828 Mr. Sherman. Why has North Korea not even sought to
829 vaccinate its people? Does it have access to the Chinese vaccine
830 and do they trust that vaccine? Or international organizations
831 willing to provide the most advanced Western vaccines, do they
832 trust those? Why no vaccinations?

833 Ms. Terry. They have -- North Korea is one of the two
834 countries in the world, only two, Eritrea and North Korea, that
835 has not vaccinated its people. And China offered three million
836 doses of Sinovac vaccines that North Koreans declined. They have
837 also declined two million doses of AstraZeneca.

838 So the Kim regime was very paranoid about potential side
839 effects of these vaccines. They wanted --

840 Mr. Sherman. They watch Tucker Carlson in North Korea?

841 Ms. Terry. Perhaps, sir, perhaps. And but I think they
842 wanted perhaps Pfizer or Moderna, but not, Chinese vaccines were
843 not good enough for the Kim regime. And now there is an outbreak,
844 the Kim regime has admitted. And this is a serious concern
845 because we know that North Korea's healthcare infrastructure is
846 nonexistent.

847 I'll just point out that Johns Hopkins --

848 Mr. Sherman. I believe my time is up.

849 Mr. Kim of New Jersey. Yeah, we're going to have to proceed
850 here.

851 Mr. Sherman. Please add to the record. Thank you.

852 Mr. Kim of New Jersey. All right, we're going to turn it
853 over to Congressman Perry. Over to you for your questions.

854 Mr. Perry. Thank you, Mr. Chairman.

855 Before I -- well, maybe I'll set the context here. So a
856 couple days ago, a new president was sworn in. Today, North
857 Korea, in I think what some would say is a response, launched
858 three ballistic missiles. The president plans to visit later
859 this month regarding the IPEF.

860 North Korea remains unwilling to talk to the United States
861 or generally with South Korea in a constructive manner.
862 Meanwhile, Russia and China remain opposed to any additional
863 sanctions. That's -- that's kind of where I see at least the
864 set of conditions that we're working on.

865 Something you just said I'm trying to put into place here
866 for myself, Dr. Terry, is are you saying that any increased
867 sanctions or economic pressure is going to potentially force North
868 Korea to sell their fissile material? Is that what you just said?

869

870 I mean, are you advocating for less stringent sanctions
871 because of the specter of -- explain that to me.

872 Ms. Terry. No, sir. I am advocating stronger sanctions

873 enforcement, as I wrote down in written testimony, expanded
874 sanctions. I'm just pointing out there's a separate issue, that
875 is one day North Korea, the possibility of North Korea
876 proliferating is still there.

877 And then we have to then also adopt counterproliferation
878 measures, deterrents and counterproliferation measures, in
879 addition to sanctions. I'm not linking sanctions to --

880 Mr. Perry. Okay, because that --

881 Ms. Terry. Proliferation.

882 Mr. Perry. It seemed a little schizophrenic based on what
883 I thought you said in the beginning, so I appreciate the
884 clarification.

885 Ms. Terry. No, absolutely not.

886 Mr. Perry. Dr. Park, what appears to me the Biden
887 Administration is doing is what I would consider the Obama go
888 along to get along policy, this calibrated practical approach.
889

890 And maybe my good friend from California, you know, I think
891 he wants to see something different. But asking -- giving more
892 and asking for less, you know, maybe that -- maybe that's good
893 for him, but I don't think it's good for the free world.

894 I -- ten seconds. (Simultaneous speaking.)

895 Mr. Sherman. I was not suggesting giving more. I was
896 suggesting pounding harder.

897 Mr. Perry. Oh, well, I didn't hear that. But what I hear
898 is strongly worded statements coming from the United States and
899 minimum sanctions. And somehow that that's going to be -- that
900 that's going to be successful.

901 Russia and the PRC continue to support North Korea. And
902 if the Administration, to me, wants to take a strong stance, they
903 should enforce the sanctions and more. They could do more. But
904 the ones that were overwhelmingly approved by Congress include
905 secondary sanctions.

906 You talk about proposed sanction relief for the one percent
907 as well as the 99%. You talk about realistic sanctions policy,
908 without in-country inspections. I'm not a rocket scientist, I'll
909 admit that freely.

910 I fail to see the sense in allowing them to continue on their
911 good word, with the understanding that they don't have a good
912 word. They don't -- they've never earned any trust from anyone.
913

914 As well as the fact that the PRC and Russia are going to
915 continue to support them regardless because the United States
916 continues to not want to do or to refuse to do or not be willing
917 to do what needs to be done.

918 And I just want you to -- if you want to talk about the one
919 percent as well as the 99%, these realistic sanctions, and this
920 relief valve, I think, as you -- as you claim, a dedicated relief

921 valve, how that would work.

922 Mr. Park. Congressman, thank you so much for that question.

923 I have to say first of all we deal with the tyranny of time,
924 try to cram in as much as you can in five minutes. But thank
925 you for your question because there's an important clarification
926 elaboration.

927 So first off, the inability right now to do inspections on
928 the ground, because frankly we don't know where all the sites
929 are. And that is a big stumbling block if we ever get to something
930 like a large deal, different components, dismantling,
931 verification, and so forth.

932 A moratorium is something that is realistic. And if you
933 look at it in terms of trying to broker some kind of deal, a small
934 deal on a moratorium, that's one way to get the North Koreans
935 to stop in terms of the further testing, the learning by doing
936 and advancing their missile and their nuclear program.

937 The fact that they don't do the test in and of itself is
938 the indicator, and that's one way to get around the hurdle and
939 the difficulty of verification and boots on the ground. At some
940 point in time we will need to do that, but right now it doesn't
941 seem to be feasible.

942 So it's more along the lines of how can we verify something,
943 and the moratorium in and of itself would be the verification.

944 The part about the pressure relief valve, I wanted to put

945 some context around that. The brutal reality right now is that
946 we're dealing with competition with China. As I mentioned in
947 my testimony, the Communist Party of China has made tremendous
948 inroads with the Workers' Party of Korea. And that's
949 institutional. That goes beyond just giving strategic aid here
950 and there.

951 There's a whole backstory to that, but I were to give you
952 the main bullet point, they're looking to shore up stability of
953 a regime that they've very concerned about in terms of stability.

954 And so with that, the constant concern that there's a tipping
955 point, that this is a very fragile regime at the end of the day
956 doing desperate things, the institution-building between two
957 parties is still going on.

958 The final thing I'd mention is that with the pressure relief
959 valve, what I mean by that is that right now there is the
960 self-imposed quarantine. There are items that the North Koreans
961 are seeking, and if there's a way to have that type of negotiation
962 for the moratorium, that seems to be one way that we can outcompete
963 the Chinese in particular items that the North Koreans are
964 seeking.

965 But that is the basis of exploring further, and it is also
966 in the realm of what is possible, given the current stakes. And
967 frankly, there's not much going on.

968 Mr. Perry. Thank you, Mr. Chairman, I yield. But before

969 I do, I do not want to be on the record as not wanting to relieve
970 the pressure.

971 Mr. Kim of New Jersey. Thank you. We're going to be
972 proceeding on to our colleague, Congresswoman Titus. Over to
973 you for five minutes.

974 Ms. Titus. Thank you, Mr. Chairman.

975 I'd like to ask Dr. Park this. Addressing North Korea's
976 nuclear and missile threats I believe requires close cooperation
977 between Washington, Seoul, and Tokyo.

978 And given the election of President Yoon, who said he'll
979 work to mend kind of the frayed relations between South Korea
980 and Japan, I wonder if you could recommend what steps both of
981 those capitals should be making and how the U.S. can facilitate
982 this relationship.

983 Mr. Park. Thank you very much for your question. I do
984 believe right now with the new administration in Seoul, there's
985 a possibility to have South Korea become more involved,
986 specifically within the context of the Indo-Pacific.

987 And so with the quad and the different working groups and
988 the different configurations there and the Yoon administration
989 looking to be much more engaged regionally, internationally, I
990 think within that multilateral context there is a pathway for
991 Seoul and Tokyo to cooperate in a more robust fashion. But most
992 importantly in a sustainable fashion that could go beyond any

993 given administration.

994 The direct bilateral has always been, you know, particularly
995 prone to whoever is in the Blue House at any given time. And
996 so this is an element where I do think the Yoon administration
997 has that opportunity.

998 One quick I would mention here is that within this is also
999 sustainable effort to keep up the pressure. And I think
1000 structurally that's important. Statements, some aspects have
1001 indicated are symbolic, those pressures really don't add up to
1002 much on the ground.

1003 So I think institution-building, have this multilateral type
1004 of, you know, engagement of these four parties is going to be
1005 important, not only for the threats on the Korean peninsula, but
1006 in the region as well. Thank you.

1007 Ms. Titus. Is there some kind of block of policies or issues
1008 you think might be a good starting point? Environment, climate
1009 change, for example?

1010 Mr. Park. I think it's China. And to be blunt with you,
1011 it's the security of the supply chain as it relates to technology.

1012 This is something that also incorporates Taiwan. This is where
1013 South Korea is a natural partner.

1014 And so with this dedicated supply chain and the best that
1015 we can do, it's going to require a lot of work. I think the South
1016 Korea's part of a multilateral effort in this part is actually

1017 essential. And so we can't just rely on Taiwan and trying to
1018 engage TSMC, one company.

1019 And so in this respect, I think there are the opportunities,
1020 the low-hanging fruit, if you will, but it is going to take this
1021 enmeshing in a multilateral structure.

1022 Ms. Titus. You also mentioned in your written testimony
1023 that some of the outside information that has trickled into North
1024 Korea has had an impact in maybe changing some minds or fomenting
1025 some kinds of activities.

1026 What can the U.S. do to help encourage that? Or you know,
1027 like the old, you know, Radio Free Europe or whatever, is there
1028 some modern way that we can get engaged in that and try to pump
1029 up the impact that it has?

1030 Mr. Park. I believe that's an area that my colleague Dr.
1031 Lee has covered, so I'll turn it over to him for his response
1032 there.

1033 Mr. Lee. Thank you, Congresswoman. Radio Free --

1034 Ms. Titus. I'm sorry, you know, what, before you start,
1035 I misspoke. I thought that was you, Dr. Terry -- Dr. Park, but
1036 it was Dr. Terry who mentioned that in her written testimony.
1037 Maybe she'd comment.

1038 Ms. Terry. I think there are a number of things that we
1039 can do. We need to work towards providing truthful and diverse
1040 content and messaging into North Korea. We know that more North

1041 Koreans are watching foreign content despite regime's effort to
1042 crack down on and block information coming in.

1043 We have some, you know, we have some surveys that says some
1044 92% of folks who said that have already watched foreign DVD and
1045 so on. But providing diverse content.

1046 But I think first of all, for the U.S. Government, it's very
1047 important for us to identify and empower the sort of elite personal
1048 entity. (inaudible) Center actually had a report that came out
1049 led by (inaudible), who did amazing job. We can also send you
1050 that report. But empowering some sort of elite entity to
1051 coordinate this information penetration effort.

1052 And then also working with technology companies. There's
1053 a lot of -- we have not yet really collaborated with U.S.
1054 technology companies to find effective and creative ways to get
1055 information into North Korea. You know, and so on.

1056 So there's a report that I would like to at least -- perhaps
1057 I can send it to you afterwards. Dr. Park also participated in
1058 that report.

1059 But there are a number of things that we can do to really
1060 increase our efforts to disseminate information into North Korea.

1061 [Whereupon, the above-entitled matter went off the record
1062 at 5:17 p.m.]

1063 Ms. Titus. Well, thank you. I would like to receive that
1064 report. The committee I am sure would benefit from it.

1065 Mr. Kim of New Jersey. Thank you.

1066 Ms. Titus. Okay. Thank you, Mr. Chairman, and I will yield
1067 back.

1068 Mr. Kim of New Jersey. Thank you. We are going to proceed
1069 on to Congresswoman Wagner. Over to you for 5 minutes.

1070 Mrs. Wagner. Thank you, Mr. Chairman, and thank you to our
1071 witnesses for your time and expertise.

1072 The Kim regime's reckless belligerence and inclination to
1073 escalate crises pose an immediate threat to global stability.

1074 I have been to the DMZ myself, and I saw firsthand the palpable
1075 tension in the region. Japan and South Korea, some of our
1076 strongest allies, are finding themselves in the cross hairs of
1077 North Korea's dangerous game of nuclear brinkmanship.

1078 This is not just a regional problem. The world's most
1079 authoritarian regimes are growing evermore closely aligned, and
1080 more are displaying an unprecedented willingness to overtly act
1081 and attack global peace and stability. North Korea is watching
1082 our response to Russia's war in Ukraine, Iran's proliferation
1083 activities and support for terrorism, and China's efforts to
1084 undermine rule of law and American leadership.

1085 In coordination with our allies, we must demonstrate that
1086 the democratic world is stronger than ever.

1087 Dr. Lee, Russia's war on Ukraine has illuminated the degree
1088 to which authoritarian governments are now willing to cooperate.

1089 You have spoken before the subcommittee about the importance
1090 of Russia in China's active participation in sanctions
1091 enforcement in reining in North Korea's nuclear ambitions.

1092 Do you believe that China and Russia can no longer be counted
1093 on to enforce the sanctions regime against North Korea? And what
1094 is the path forward on sanctions implementation and enforcement?

1095 Mr. Lee. Thank you, Congresswoman, for that question.
1096 Back in 2005, the Department of the Treasury designated --
1097 sanctioned a small bank in Macau called Banco Delta Asia. This
1098 designation occurred on September 15, 2005, 4 days before a joint
1099 statement was agreed upon within the six-party talks framework
1100 in Beijing.

1101 This created confusion. Some charged that Treasury was
1102 interfering with progress on diplomacy undertaken by State. That
1103 is not true.

1104 Well, this designation of a small Macanese bank caused an
1105 unexpected ripple. In that bank, North Korean accounts numbering
1106 over 50, about 52 North Korean accounts, in those accounts were
1107 approximately \$25 million U.S. deposited, which Treasury thought
1108 was laundered, tainted money.

1109 That caused a run on the bank. Deposit holders withdrew
1110 money. They did not want to come under the scrutiny of the
1111 Treasury Department, and that led to North Korea panicking. Kim
1112 Jong-il made an impromptu visit to China next January, and

1113 according to open sources pleaded with President Hu at the time
1114 -- president. At this rate, we are going to collapse, and North
1115 Korea for the first time started to sell its gold reserves for
1116 cash.

1117 Mrs. Wagner. Now, Dr. Lee, I appreciate this, and I -- but
1118 I am running out of time, so I am going to move on to another
1119 question here. I appreciate your perspective and anything more
1120 you can add to that.

1121 Let me just say the new Yoon administration in South Korea
1122 appears interested in improving relations with Japan, which have
1123 been extremely tense for many years. Dr. Terry, how should the
1124 United States encourage genuine progress in South Korea-Japan
1125 relations, and what implications does the possibility of
1126 trilateral cooperation in East Asia have for U.S. policy?

1127 Ms. Terry. I do think that with President Yoon in office
1128 that there is an opportunity to reset this bilateral relationship
1129 that is quite important from U.S.'s perspective for our two key
1130 allies to be able to work together. There are domestic
1131 constraints. The reality is, you know, there is -- the public
1132 opinion in South Korea is still pretty anti-Japanese, so it is
1133 not going to be that easy or smooth. So we should not have such
1134 a high expectation. Our expectation should be tempered.

1135 That said, I do think the Biden Administration understands
1136 the importance of it. Secretary Blinken is somebody under the

1137 Obama Administration who regularly held meetings, trilateral
1138 meetings. So the priority is there, the focus, the emphasis is
1139 there.

1140 I do think the first thing that South Korea and Japan should
1141 do is to normalize this intelligence-sharing agreement, General
1142 Security of Military Information Agreement, GSOMIA. That is to
1143 make it more -- intelligence-sharing a streamlined process
1144 without having to go through the U.S. every time. That will be
1145 very important.

1146 And then the second part will be also the trilateral
1147 exercises. It will great if U.S., South Korea, and Japan can
1148 engage in trilateral exercises and ballistic missile defense.

1149 But, you know, again, I will just say our expectations should
1150 be somewhat tempered just because of the domestic constraints
1151 as --

1152 Mrs. Wagner. I have exhausted my time. I have another
1153 question I will submit for the record having to do with South
1154 Korea and their support for the quad security partnership, but
1155 I will do that in writing.

1156 And I thank you all, and I yield back, Mr. Chairman.

1157 Mr. Kim of New Jersey. Thank you, Congresswoman.

1158 We are going to turn it over to our colleague, Congresswoman
1159 Houlahan. Over to you for 5 minutes.

1160 Ms. Houlahan. Thank you, Mr. Chair. Just making sure you

1161 can hear me?

1162 Mr. Kim of New Jersey. Yes, I can.

1163 Ms. Houlahan. Excellent. And thank you to the folks here
1164 testifying in front of us. It has been a really interesting
1165 conversation. I am trying to make sure that I don't ask some
1166 of the same questions and may ask for a little bit of
1167 clarification. But one thing we haven't hit on yet is the effect
1168 of the Ukrainian conflict, the Ukrainian war, and whether or not
1169 that is going to create an opportunity for any sort of increased
1170 cooperation between Russia and North Korea.

1171 Could Russia become a more significant economic lifeline
1172 for North Korea? And, if so, how would this affect the existing
1173 and future international sanctions and regimes -- sanction
1174 regimes, if these two countries are able and willing to be
1175 cooperating due to heavy sanctions placed on both of them by the
1176 West? And will they be able to come out stronger? And is there
1177 any indication that we have an over reliance on sanctions with
1178 our foreign -- within our foreign relations?

1179 So I am not sure which one of you three is probably best
1180 suited to answer that question, but we have spent a lot of time
1181 talking about our own sanctions and also some of those of our
1182 allies. But I am intrigued to try to understand more about the
1183 implications of Russia.

1184 Mr. Park. So if I can start with that question, I think

1185 the response to your question is really through the lens of the
1186 marketplace. And if you look at some of the Russian cyber actors,
1187 who are coordinating very closely with the Russian government,
1188 from, you know, open source accounts they are not being paid.

1189

1190 And if you look at it, what you frame is, to approach it
1191 from a different angle, it looks like North Korean cyber actors
1192 can provide relief to some of the Russian partners here.

1193 As Russia has been decoupled from the global economy -- and
1194 if you want to talk about pressure, this is a classic textbook
1195 case of how to do it -- the Russians are looking for different
1196 avenues and different areas of trying to adjust to these
1197 realities.

1198 And so number 1 is they are guns for hire essentially. If
1199 you look at some of these Russian actors, a large number of them
1200 link to criminal organizations. Having this access to North
1201 Korean counterparts on things like cyber theft or trying to
1202 convert, you know, cryptocurrency into fiat, there are some very
1203 unique partnerships I think we have to monitor very closely.

1204 Number 2. In this marketplace, the other area that I think
1205 is interesting, if you want a substantial and meaningful avenue
1206 for pressure, this is it. The pressure that we have in terms
1207 of the economic pressure campaign on Russian targets, if you can
1208 link them to North Korean actors, that is how you professionally

1209 unleash pressure.

1210 And so there are a number of challenges and opportunities,
1211 but they are all in play right now, and I think the marketplace
1212 lens can be very helpful.

1213 Thank you.

1214 Ms. Houlahan. So before I let you go, I am really interested
1215 in it, if you could kind of give a little bit of an example of
1216 what you are talking about in terms of these pressure points,
1217 because I was also intrigued by some of the words that you used
1218 in your opening statement specific to North Korea.

1219 You said that they had become resilient to any sorts of
1220 sanctions, and in some ways, you know, Russia has the opportunity,
1221 as you mentioned, to sort of learn from how the North Koreans
1222 have been able to navigate this.

1223 Can you give some examples in terms of the interrelationship
1224 between Russia cyber actors and North Korean cyber actors and,
1225 you know, who is on the giving and taking end of that? So that,
1226 you know, what can Congress do about that? What should I be doing
1227 about that? With the remainder of our time together.

1228 Mr. Park. Sure. Thank you for that. I would like to
1229 highlight a report that one of our associates wrote, Alex O'Neill,
1230 who wrote a book looking at essentially criminal -- "cyber
1231 criminal state craft" is the term that he has come up.

1232 He did a very thorough investigation and through the open

1233 source of Russian criminal organizations and how they have been
1234 very effective partners for North Korean cyber actors. So I will
1235 draw your attention to that.

1236 But I wanted to very briefly mention the game changer aspect
1237 of what has happened with North Korean actors here in terms of
1238 the sanctions, the resilience that you reference. It is the
1239 migration into the Chinese marketplace. That is just the brutal
1240 reality on the ground. That is the diagnosis.

1241 So as much as we want to increase pressure and more sanctions,
1242 and I agree with Dr. Lee in terms of there is a lot more room,
1243 and there is many more sanctions that you can apply on the North
1244 Korean actors. The moment they go into the Chinese marketplace,
1245 and literally physically the Chinese economy, you are dealing
1246 with a great wall of sovereignty. If you are going to go after
1247 those targets, you are going to have to consider the broader scope
1248 of how you are going to do this.

1249 And this is where the Russia playbook is instructive because
1250 we have decoupled the Russian economy from the global economy.

1251 That is the level that we have to think about if we are going
1252 to do that. So there are consequences and considerations. It
1253 is not to say that we can't do it, but there are a host of unintended
1254 consequences that we have to figure out as well.

1255 The final thing I would mention is with respect to the
1256 Russia-North Korea piece of it, capability-wise what the North

1257 Koreans seek is not in the Russian marketplace. It is in the
1258 Chinese marketplace. Dual-use components, banned items, that
1259 is on offer in China and can be readily procured and brought back
1260 to North Korea.

1261 But there is a political and almost a social type of
1262 interaction between the Russians and the North Koreans that I
1263 think introduces this element that there is a lot more the two
1264 parties can do in the cyber domain. And that is the area that
1265 I think there is going to be a lot more action and an area that
1266 we have to be much more vigilant about.

1267 Ms. Houlahan. Thank you. I apologize for running over,
1268 and I yield back. Very much appreciate it, Doctor.

1269 Mr. Kim of New Jersey. No worries there, Congresswoman
1270 Houlahan. Thank you for your questions.

1271 We are going to turn it over to Congressman Barr now. Over
1272 to you.

1273 Mr. Barr. Thank you, Mr. Chairman. And thanks to all the
1274 witnesses for the testimony.

1275 Dr. Park, let me pick up right where you left off. And I
1276 want to drill down on this -- this observation that the CCP has
1277 granted the Kim regime access to the Chinese marketplace as a
1278 way for North Korea to evade sanctions.

1279 In the fiscal year 2020 NDAA, that legislation included my
1280 legislation, my bill, the Otto Warmbier North Korea Nuclear

1281 Sanctions Act. That imposed the toughest economic sanctions ever
1282 directed at North Korea, designed to cut off Pyongyang's ability
1283 to earn hard currency through not just North Korean laborers
1284 working abroad, but secondary sanctions against foreign banks
1285 that facilitated illicit transactions with North Korea that
1286 enabled North Korea to continue to finance its nuclear and
1287 ballistic missile programs.

1288 Despite these sanctions, you note that these Chinese firms
1289 are helping North Korea circumvent U.S. sanctions.

1290 Dr. Park, what type of firms are these that are helping prop
1291 up the North Korean economy? Are we talking about Chinese banks?
1292 Are they really firms that do not have financial ties to the
1293 United States?

1294 I thought that this legislation was going to force Chinese
1295 banks to make a choice: either do business with North Korea or
1296 do business with the international financial system. Is that
1297 not -- is that choice not taking place? Are we not imposing those
1298 secondary sanctions? What is going on?

1299 Mr. Park. Congressman, first off, it is great to see you
1300 again, and thank you for your chairmanship. I had the opportunity
1301 and great pleasure to testify when you were on the House Financial
1302 Services Subcommittee. So it is great to see you again.

1303 Mr. Barr. Good to see you.

1304 Mr. Park. With respect to what you mentioned, I think if

1305 we look at the primary impact space, your legislation had impact.
1306 That definitely got the best of breed Chinese banks and companies
1307 out of this business. They saw that risk-reward. It wasn't
1308 worthwhile to do business with North Korean clients, and so they
1309 had almost a self, you know, censoring and self-monitoring.

1310 And if you think about the compliance industry, they
1311 unleashed their compliance departments to make sure there were
1312 no North Korean accounts, because they have business abroad and
1313 they have bigger fish to fry.

1314 But it is this local level -- the local level -- and as we
1315 heard earlier, local level Chinese banks and companies that are
1316 part of local criminal syndicates in key parts of China, where
1317 the secondary effects of these seven measures is that as much
1318 as certain North Korean clients become radioactive, no one wants
1319 to do business with them, the more you go at the local level they
1320 will be more willing participants who translate that risk of
1321 getting caught and punishment into a higher commission fee.

1322 And so there is that adaptation that is going on that we
1323 have to monitor very closely, because I do think there are
1324 approaches that we can pursue. And previous to a situation where
1325 we see a very difficult U.S.-China relationship -- you know,
1326 during previous administrations when there were some dialogues
1327 going on between the Chinese and the United States, there was
1328 a law enforcement angle to this.

1329 Because if you look at it, the North Koreans are
1330 counterfeiting Chinese national currency. They were a threat
1331 to Chinese economic security, and so there were angles of
1332 cooperation. But, you know, as other things developed, in the
1333 state that we are and a much larger type of challenge with China,
1334 those type of opportunities aren't on the table right now.

1335 Mr. Barr. Dr. Park, as a follow up, is this a matter of
1336 OFAC not reaching down to those local Chinese financial
1337 institutions? Or is it just disregarding because they don't have
1338 any international counter party relationships that would be
1339 subject to those secondary sanctions?

1340 Mr. Park. I do think that, you know, colleagues at
1341 institutes like the Center for Advanced Defense Studies, C4ADS,
1342 they have unleashed data analytics. And they can ascertain one
1343 degree of separation in terms of some of these business
1344 activities. And so they have been able to compile a lot of good
1345 information that is actionable, and that has been a part of feeding
1346 into USG.

1347 But what ends up happening at such a local level is that
1348 in using local Chinese companies, using all of their bona fides,
1349 all of their legitimate licenses, and so forth, it becomes
1350 something where one, two, three degrees of separation, you
1351 essentially have North Korean -- they are, frankly, diplomats
1352 who are abusing their privileges and their diplomatic

1353 credentials, doing the business and outsourcing a lot of the
1354 activities.

1355 Mr. Barr. Let me just in the final minutes -- petroleum
1356 imports above UN Security Council limits are sanctionable under
1357 Warmbier. Chartering, insuring, and registering a ship that is
1358 crewed by a North Korean person is sanctionable under Warmbier.

1359 These are authorities that Congress has given the
1360 Administration. Are we seeing the Biden Administration actually
1361 using them?

1362 Mr. Park. I have not seen any reports, but I think an example
1363 of effectiveness of what you are mentioning here is the whole
1364 category of asset forfeitures. And in doing that, and
1365 particularly commercial vessels and monetizing and selling the
1366 vessel, and then using that as a means of compensation, I think
1367 that is an enormously effective tool.

1368 And so that is something that it is an area that there is
1369 a lot of more room for doing that, and that is an area where I
1370 think you use the marketplace in a very effective fashion, because
1371 it is the proceeds from the sale of that, you know, seized, that
1372 forfeited asset, that essentially becomes a part of meaningful
1373 realization of this legislation.

1374 Mr. Barr. Thank you. I yield.

1375 Mr. Park. Thank you.

1376 Mr. Kim of New Jersey. Thank you. We are going to turn

1377 now to Congresswoman Young Kim. Over to you for 5 minutes.

1378 Mrs. Kim of California. Thank you very much. And I want
1379 to thank our witnesses for joining us today. Good to see you.

1380 I want to start out by saying that we have to deal with North
1381 Korea we have today, not the one we want. Provocative actions
1382 from the Kim regime over the last 7 years, especially the last
1383 2 years, have consistently demonstrated to the world North Korea's
1384 intentions to divide the United States and South Korea and rule
1385 through fear and oppression at home.

1386 We cannot make the mistake of viewing the recent missile
1387 launches by North Korea as cries for attention from an unstable
1388 leader. North Korea learns from each launch as it pours increased
1389 resources into the development of more advanced weapons through
1390 bully concessions from its neighbors and threatened attacks on
1391 the South.

1392 However, more than sanctions and troop deployments, what
1393 the Kim family has always feared the most has been the people
1394 and their power to overthrow the government. To maintain their
1395 authority, the Kims have brutalized and tortured their own people
1396 for decades, denying them basic human rights -- warfare -- as
1397 a matter of national security.

1398 It is for these reasons I have worked in Congress to promote
1399 freedom of information to North Korea and recently introduced
1400 North Korean Human Rights Reauthorization Act of 2022. This will

1401 reauthorize and update programming supporting human rights,
1402 refugees, and broadcasting operations.

1403 So I have a question for each of our witnesses, and I hope
1404 we have time to get through all of that. First, to Professor
1405 Lee, can you please explain the state of information operations
1406 into North Korea in 2022? Has the willingness of the North Korean
1407 people to tolerate the Kim regime been impacted by the COVID-19
1408 pandemic and recent economic hardships? If so, how can the United
1409 States and South Korea use these circumstances to change the
1410 status quo?

1411 Mr. Lee. Thank you, Congresswoman Kim. I am afraid last
1412 year, in 2021, we have had the fewest number of North Korean
1413 defectors resettle in the South -- fewer than 50 -- and that speaks
1414 of, I suppose, terribly efficient job that the regime has done
1415 in sealing the border and cracking down on the universal freedom
1416 of movement.

1417 In terms of information dissemination into North Korea,
1418 well, we know that American entities like Voice of America and
1419 Radio Free Asia do much good work, but the funding is quite modest.

1420 Not to make comparisons -- every effort is important -- but North
1421 Korea, because the UN alleges it is the world leader, the
1422 unparalleled violator of human rights in the world, I would
1423 suggest that increasing the funds for VOA and RFA --

1424 Mrs. Kim of California. Thank you. I hear you clearly.

1425 Mr. Lee. Thank you.

1426 Mrs. Kim of California. Thank you. And that is a part of
1427 the North Korean Human Rights Reauthorization Act.

1428 Dr. Terry, would you please touch on how North Korea views
1429 China? Are they viewed as an irreplaceable ally or a necessary
1430 evil? Does United States competition with China provide any
1431 openings for North Korea policy to become more flexible?

1432 Ms. Terry. I think China-North Korea relationship is very
1433 complicated one. They used to have a genuine alliance, blood
1434 alliance, until Kim Il Sung lost his only son in the Korean War.

1435 But I -- so to answer your question, I think it is a necessary
1436 evil. And you -- even from Xi Jinping's perspective, too, like
1437 he hasn't even -- until President Trump turned to symmetry and
1438 diplomacy, he hasn't met with Kim Jong-un, although he met with
1439 South Korean president. So that relationship is a difficult one,
1440 a rocky one, but you still -- they still have to rely on each
1441 other, because 90 percent of North Korea's trade is still with
1442 China, right? 45 percent of consumer goods come from China; 75
1443 percent actually.

1444 So, but is there a space for us to get in? I think it is
1445 that -- I think it is very difficult at this moment. Just because
1446 of U.S.-China competition or so, China is not willing to really
1447 also help us on the North Korea front. China and Russia is --
1448 they couldn't even implement or just agree to additional sanctions

1449 after ICBM launch just recently. They couldn't even condemn the
1450 launch. So I think it is very difficult for us.

1451 Mrs. Kim of California. Thank you. I would like to put
1452 in one question -- I know we are going to go over time -- but
1453 to Dr. Park. Over the past few years, especially we have seen
1454 a significant number of North Korean refugees repatriated by China
1455 back to North Korea, and we know what happens when they are
1456 repatriated.

1457 So how do you believe a change in administration in South
1458 Korea and rising U.S.-China competition will affect that issue?

1459 And, further, what would you suggest as the best approach to
1460 getting these refugees from detainment in China to South Korea?

1461 Mr. Park. Thank you very much for your question,
1462 Congresswoman Kim. I do believe right now, given the state of
1463 the self-imposed quarantine, this type of issue isn't at the
1464 forefront as it once was. But it can certainly come back as we
1465 see eventually, not anytime soon, but eventually the reopening
1466 of certain parts of the border there.

1467 I look at the Yoon administration, and it is a group that
1468 is much more forward-leaning and concerned about human rights.

1469 And I think when it comes to these type of issues, you are not
1470 going to see any holding back of punches, and certainly more of
1471 a bilateral and multilateral approach to advocating for North
1472 Korean human rights.

1473 And so this is an area where I do think there will be more
1474 partnership and more activity.

1475 Mrs. Kim of California. Thank you very much, and I yield
1476 back.

1477 Mr. Kim of New Jersey. Thank you. That concludes the
1478 question part of our hearing. I want to thank my colleagues for
1479 their very interesting questions, and thank the witnesses for
1480 your responses here.

1481 I will just say a few words before we close here. I just
1482 want to thank, again, our witnesses for coming here and being
1483 able to do this hearing, for us to be able to do it in person,
1484 and get back to this business that we are doing.

1485 Obviously, we all are recognizing the incredibly important
1486 moment that we are in, you know, because this could very much
1487 be an inflection point as we have a new administration coming
1488 into South Korea, some opportunities here to really think through
1489 as we proceed through this pandemic and think through all of the
1490 challenges that are there, but certainly facing the provocations
1491 of North Korea as they are trying to assert themselves in this
1492 moment.

1493 Today's hearing has been a great opportunity to ensure this
1494 topic stays at the forefront of our conversations when it comes
1495 to the Asia Region, but globally as a whole. And I hope to
1496 continue to work with the witnesses, as well as the other members

1497 of this subcommittee, to make sure that we are moving forward
1498 with our shared goals for peace on the Korean Peninsula.

1499 I would also like to emphasize the importance that we
1500 highlight this issue now as we have the impending President Biden
1501 trip to South Korea and with the new administration in South Korea.

1502 I know all of us want to see this partnership continue to thrive.

1503 We all want the new president, President Yoon, and his
1504 administration to be successful.

1505 And we will continue to work with all of the tools at our
1506 disposal -- the State Department, the Department of Defense, and
1507 elsewhere -- to ensure that our alliance remains as strong as
1508 humanly possible economically, militarily, and diplomatically.

1509 This alliance remains one of America's strongest in the world
1510 and is central to overcoming the threat posed by North Korea's
1511 reckless behavior.

1512 With that, we will start to bring this to a close. Thank
1513 you again to our witnesses and to the members who participated
1514 in this hearing.

1515 The hearing is now adjourned.

1516 [Whereupon, at 5:42 p.m., the subcommittee was adjourned.]